GOVERNMENT OF ANDHRA PRADESH

ABSTRACT

Coop. Dept. --Visakhaptnam Steel Plant Employees Consumers Stores Ltd. Visakhapatnam –Exemption Under Section 116(c) of APCS Act, 1964 by virtue of powers vested u/s 123 of the Act for the period from 10-10-2013 to 20-08-2015. –Orders—Issued.

AGRICULTURE AND COOPERATION (Coop.I) DEPARTMENT

G.O.Rt.No.777 Dated:02 -11-2015

Read the following:

1. From the CC & RCS AP Hyd.Lr.RC No.15521/2012/consumers, dt. 11-01-2013 & 11-02-2013.
2. From the Spl. CC & RCS AP Hyd.Lr.RC No.15521/2012/consumers, dt.31-08-2015 and 28-09-2015.

ORDER:

In the references read above, the Commissioner for Cooperation and Registrar of Cooperative Societies A.P. Hyderabad has stated that the Visakhaptnam Steel Plant Employees Consumers Stores Ltd. Visakhapatnam started function w.e.f. 27-01-1984 with main objective of catering domestic articles to the employees of Visakhapatnam Steel Plant with a qualitative, quantitative and comparable low prices. Its operations are confined to Visakhapatnam Steel Plant Township, Ukkunagaram, RH Colony and HB colony, Visakhapatnam. During the year 1996, the staffing pattern was approved for 52 regular employees under various cadres as prescribed there at. According to the then prevalent circumstances i.e. during the year 1996, the membership of the Stores was 14,494 with a paid up Share Capital of Rs.13.94 lakhs. The overall business of the Stores by that time was Rs.613.52 lakhs achieved through 14 outlets only. With these 14 outlets, the Stores has earned a gross profit of Rs.36.10 lakhs while the Net Profit was 4.4 lakhs during the year 1996.

2. Further, the CC & RCS has stated that, the present business scenario has been drastically changed by way of increasing efforts, business transactions for the year 2011-12, the membership of the Stores rose from 14494 to 18645 with an increased paid up share capital of Rs 82.21 lakhs and the turnover of the stores increased to Rs.3313.86 lakhs with 30 outlets with 52 regular employees and 97 casual employees.

3. The CC & RCS AP Hyderabad has also stated that the DCO, Visakhaptnam has submitted that the affairs of the Stores is being governed by the A.P .Cooperative Societies Act, 1964, it has become inevitable for the Managing Committee to get out of the provisions consisting of certain constrainments of Section 116(c) of APCS Act, 1964 or otherwise the affairs of the Stores would succumb to the conditions making the managing committee members liable for the expenditure incurred over and above of 2% of the working capital or 30% of the Gross Profit in respect of actual in a year whichever is less.

4. He has further stated that the DCO, Visakhapatnam has further reported that the Section 116(c) of the APCS Act, does not permit the Stores even to incur expenditure stipulated under Payment of Minimum Wages Act and A.P.Shops and Establishment Act, 1988.

5. In view of the circumstances explained by the District Cooperative Officer, Visakhapatnam, the Spl. CC & RCS has justified the need to continue the present staff to increase the sales turnover and gross profit in the coming years and requested the Government to issue necessary orders for exemption under Section 116 (C) of the A.P.C.S. Act, 1964 to the Visakhapatnam Steel Plant Employees Consumer Cooperative Stores Ltd. Visakhapatnam .

6. Government after careful examination of the matter and by virtue of powers conferred under Section 123 of the A.P.C.S. 1964, hereby exempt the Visakhapatnam Steel Plant Employees Consumer Cooperative Stores Ltd. Visakhapatnam from the provisions of the Section 116© of the APCS Act, 1964 for the period from 10-10-2013 to 20-08-2015.

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7. The Spl. Commissioner for Cooperation & Registrar of Cooperative Societies AP Hyderabad is requested to take further necessary action in the matter accordingly.

(BY ORDER AND IN THE NAME OF THE GOVERNOR OF ANDHRA PRADESH)

T. VIJAY KUMAR
SPL. CHIEF SECRETARY TO GOVERNMENT (AGRL.MKTG. & COOP)

To
The Spl. Commissioner for Cooperation & Registrar of Cooperative
Societies AP Hyderabad.
The Chairman, Visakhapatnam Steel Plant Employees Consumer Cooperative Stores Ltd.
Visakhapatnam
The District Collector, Visakhapatnam.
The District Cooperative Officer, Visakhapatnam
SC/SF

//forwarded: By order//

SECTION OFFICER